

Teaming Agreement

1. This Agreement made this day of July 13, 1982, between McDonnell Douglas Electronics Company, a division of McDonnell Corporation ("MDC") and Monroe Institute of Applied Sciences ("Company") concerns submission of a proposal to the U.S. Government for a Sleep Restorative Trainer (SRT).
2. MDC will submit a proposal for a Sleep Restorative Trainer as prime contractor and will include Company as the proposed subcontractor for that portion of the work assigned to Company in Exhibit A.
3. Company will furnish to MDC for incorporation into the proposal all proposed material pertinent to the work to be performed by the Company if a contract is awarded (see Exhibit A) including manuscripts, artwork and price data. Company also will furnish such assistance as is reasonably necessary to support MDC in integrating Company's proposed efforts into MDC's proposal to the U.S. Government. Company will not work during the period of the contract with any other contractor for the tasks assigned to Company in Exhibit A, and such restriction shall apply only in the event that MDC is awarded the prime contract and Company is selected as part of the contract team.

4. MDC's proposal to the U.S. Government will contain and identify Company's contribution to the proposal and also will indicate that, subject to U.S. Government's approval, MDC will award a subcontract to Company for the work assigned to Company in Exhibit A. MDC shall have the right to decide the form and contents of the proposal submitted to the U.S. Government.

5. If MDC is awarded the prime contract, MDC will subcontract that portion of the work of the prime contract which is assigned to Company in Exhibit A, upon terms and conditions to be mutually agreed upon, provided that the U.S. Government does not disapprove such a subcontract, and provided further that a prime contract allows such a negotiated subcontract. Company will accept a subcontract from MDC as indicated above for the work assigned to Company in Exhibit A and agrees to negotiate in good faith with MDC for that purpose. Company agrees to accept subcontract terms and conditions similar to those terms and conditions which are included in the prime contract to the extent consistent with the Company's proposal or which MDC is required by law to include in its subcontracts.

6. This agreement shall not constitute, create, give effect to or otherwise imply a joint venture, pooling arrangement, partnership or formal business organization of any kind. The rights and obligations of the parties shall be limited to those expressly set forth herein. Nothing herein shall be construed as providing for the sharing of profits or loss arising out of the efforts of either or both of the parties. Neither party will be liable to the other for any of the costs, expenses, risks, or liabilities arising out of the other's efforts in connection with the performance of this Agreement.

7.1 In preparing the proposal, certain technical information may be exchanged between MDC and Company. To the extent that proprietary information is involved, it is agreed that each party shall clearly identify and mark such proprietary information when furnishing it to the other. No information, other than proprietary information marked as provided above, shall be restricted by either party as to the other party's use thereof. Proprietary information which is exchanged may be used by the receiving party only in connection with this proposal, and/or the performance of any awarded contract arising from this proposal. Each party shall take reasonable precautions to prevent disclosure of information marked as proprietary. The obligations and restrictions imposed by this paragraph will survive the termination of this Agreement for a period of three (3) years.

Such restrictions shall not apply, however, if such information:

- (1) was at the time of receipt otherwise known to the party receiving it;
- (2) has been published or is otherwise within the public knowledge or is generally known to the public at the time of its disclosure to the receiving party;
- (3) was independently developed by the receiving party;
- (4) becomes known or available to the receiving party from a source other than the disclosing party, and without breach of this Agreement by the receiving party;
- (5) becomes part of the public domain without breach of this Agreement by the receiving party;
- (6) is disclosed with the written approval of the other party;
- (7) was exchanged and 3 years have subsequently elapsed.

7.2 Neither party shall be liable for the inadvertent or accidental disclosure of such information marked as proprietary information as provided above if such disclosure occurs despite the exercise of the same degree of care as such party normally takes to preserve and safeguard its own proprietary information.

8. Any inventions or discoveries made or conceived by one or more employees of one of the parties hereto during the term of this Agreement and resulting from work performed pursuant to this Agreement shall be the sole property of that party. Any inventions or discoveries made or conceived jointly by employees of both parties hereto during the term of this Agreement and resulting from work performed in pursuant to this Agreement shall be jointly owned by both parties hereto.

9. Company shall not make any news release or disclose the contents of this Agreement without prior written approval of MDC.

10. This agreement shall become effective upon being signed by both parties and will terminate, except for the portions pertaining to proprietary information as set forth in Paragraph seven (7) above, 12 months from date of this Agreement or upon:

- (a) Award of the prime contract to another firm.
- (b) Cancellation of the program by the customer.
- (c) Rejection of the proposal by the customer.
- (d) Direction by the customer to use another sub-contractor.
- (e) Award of the subcontract to Company.
- (f) Mutual written consent of both parties.

11. Should the U.S. Government demand that Company be eliminated as a team member and replaced by another team member, other than Company, MDC reserves the right to make such substitutions, provide written termination of this Agreement, at no cost or liability to Company from MDC, request new bids for the work package in question, and determine the circumstances in which either the substitution may be made or the competition reinstated.

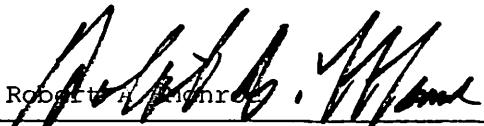
12. This Agreement shall be construed and interpreted solely in accordance with the Laws of the State of Missouri.

13. Neither party shall delegate or assign any of its rights, duties, or responsibilities in and to this Agreement or interest arising hereunder without the prior written consent of the other party, except the foregoing shall not apply to an assignment to any successor corporation in the event either party shall change its corporate name, merge, or consolidate with another corporation.

14. This Agreement contains the entire Agreement between the parties and supersedes any previous understandings, commitments or agreements, oral or written.

MONROE INSTITUTE OF APPLIED SCIENCES

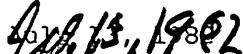
By

  
Robert A. Monroe

Title

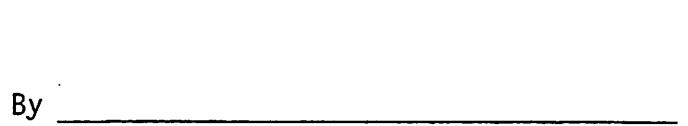
President

Date

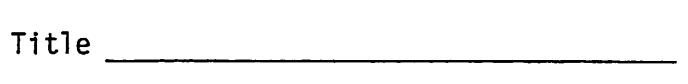
  
10/13/82

MCDONNELL DOUGLAS ELECTRONICS COMPANY  
DIVISION OF MCDONNELL DOUGLAS CORPORATION

By

  
\_\_\_\_

Title

  
\_\_\_\_

Date

  
\_\_\_\_

EXHIBIT A

STATEMENT OF WORK FOR MONROE

1. Monroe to specify words to be used in the SRT their occurance and levels.
2. Monroe to record words (1 month after receipt of order [ARO] )
3. Monroe to supply all hardware (except SRT and headsets) for field evaluation.
4. Monroe to prepare evaluation plan.
5. Monroe to prepare final report on evaluation.
6. Monroe to conduct field evaluation and monitoring of field evaluation.
7. Monroe to define all sound output levels for words and tones versus time and frequencies (2 weeks ARO).
8. Monroe to evaluate SRT at Monroe prior to field evaluation.
9. Monroe to participate in design review at MDEC four months ARO.
10. Monroe to perform any other applicable tasks required by Technical Proposal.